

Amendment to the Claims

This listing of claims will replace all prior versions, and listings, of claims in the application.

1. (Currently Amended) A method for compressing still images that are stored in electronic media comprising the step of:

- a. selecting the image to be compressed;
- b. selecting the desired degree of compression;
- c. constructing non-separable wavelet filters, based on the desired degree of compression [and physical characteristics of] for the image, for decomposition of the image by non-[seperablen] separable wavelet transformation;
- d. transforming the image into an array of frequency coefficients of the pixels by executing one level of decomposition for [each of the three filters] each filter;
- e. quantizing the values of the frequency coefficients; and
- f. encoding the quantized values by run length and arithmetic coding methods;

whereby the image is restored in the YCbCr format through the use of a pre-designated reconstruction formula; and transformed into the RGB palette after reconstruction is complete.